



Legislation Text

File #: 15710, **Version:** 2

Fiscal Note

\$108,000 in HOME funds is available in the Housing Development Fund for this project and are included in the CDBG 2009 Adopted Operating Budget (project #47).

Title

"SUBSTITUTE - "Authorizing the provision of an additional \$108,000 in Federal HOME funds to assist Housing Initiatives, Inc. to acquire and rehabilitate rental housing.

Body

Housing Initiatives is a local community-based agency that provides permanent, affordable rental housing to people who are homeless and disabled through chronic mental illness. Housing Initiatives acquires and rehabilitates property, manages the property as affordable housing, and actively assists their tenants in maintaining case management services.

The availability of a below-market loan from WHEDA combined with relatively low market prices for rental property are providing Housing Initiatives with a good opportunity to develop additional, affordable units for their clients. They plan to develop an additional four units of housing at about half the standard amount of HOME funds per unit.

WHEREAS, the CDBG staff and the CDBG Committee have reviewed this proposal and find that it furthers the goals expressed in the 2005-2009 Five-Year Community and Neighborhood Development Plan and the 2009 Community Action Plan; and

WHEREAS, the successful completion of this project will provide additional permanent, affordable rental housing for low-income homeless people who are disabled through chronic mental illness; and

NOW, THEREFORE, BE IT RESOLVED that the Common Council authorize a long-term deferred loan to Housing Initiatives, Inc. to acquire and rehabilitate up to four units of affordable rental housing and authorize the Mayor and the City Clerk to enter into an agreement with Housing Initiatives, Inc. for an additional \$108,000 to be expended by December 31, 2010.

BE IT FURTHER RESOLVED that the assistance be offered on terms adopted in the 2009-2010 Program Funding Framework for Community and Neighborhood Development, ~~except that repayment be set at the final amount of the loan and not include a percentage of appreciated value of the property.~~